GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:7742
ANSWERED ON:16.05.2000
RECOVERY OF DUES
VSM (RETD.) COL. CHOUDHARY

Will the Minister of URBAN DEVELOPMENT be pleased to state:

(a) whether attention of the Government has been drawn to the news item captioned `CAG report pulls up NDMC for failing torecover dues` appearing in the `Hindustan Times` dated April 15, 2000;

(b) if so, the facts reported therein;

(c) whether the outstanding dues from business establishments, shops, offices, commercial plots and hotels are not being collected regularly and outstanding dues are not reflected as recoverable in their accounts;

(d) if so, whether the accounts for 1996-97 and 1997-98 have not yet been finalised by the NDMC resulting in loss of revenue;

(e) if so, the details thereof;

(f) whether the Government propose to order an enquiry/investigation for the functioning of NDMC to streamline its functioning; and
(g) if so, the details thereof?

Answer

MINISTER OF STATE FOR URBAN DEVELOPMENT (SHRI BANDARU DATTATREYA)

(a) Yes, Sir.

(b) The news item mentions of the CAG`s reportpointing out inability of the NDMC to recover outstanding dues from business establishments, including a Hotel i.e. Le-Meridian, and shops, and for not maintaining proper records of the licence fee, etc.

(c) NDMC has reported that dues are collected regularly and, if required, action as per the terms and conditions of licence deed is taken. The outstanding dues are being reflected as recoverable amounts against the defaulting units. In the case of Hotel Le-Meridian, the NDMC has already taken cognizanceof the outstanding licence fee payable by the Hotel and action has been taken at regular intervals ending in issue of show cause notice under the PP Act, 1971 in June, 1999 for cancellation of the licence and recovery of damages. This matter is, however, now sub-judice.

(d)&(e): While the NDMC has already finalised the accountfor the year 1997-98, it could not do so for the year 1996-97 because the CBI in connection with an investigation into suspected misappropriation of collection of electricity and water charges seized its cash books for the first six months of the financial year. The cash books have now been obtained to finalise account for the year 1996-97. The delay in finalisation of the accounts has not caused any loss to the NDMC.

(f)&(g): The NDMC has reported that it follows all therules and procedures in vogue for recovery of dues and maintenance of accounts. It hasss rationalised its functioning by computerising the work in various departments. Timely recovery actions as per law are initiated for the recovery of outstanding dues from the licencees.